



## A Study on Appraisal and Reward in Bsnl with Special Reference to Job Satisfaction in Three Different SSAs Using Modeling

### KEYWORDS

Job Satisfaction, HRD, Appraisal and Reward.

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**ABSTRACT** *The present study investigates that the Appraisal and Reward and its impact towards Job Satisfaction with special reference to BSNL, three different SSA(Secondary Switching Areas) namely Trichy, Thanjavur and Madurai SSA using SEM Modeling. The Appraisal and Reward is the function of human resource development practices which are mainly concerned with people at work and with their relationship within the organization. To examine the level of Appraisal and Reward are associated with Job Satisfaction using by Job Descriptive Index (JDI) Scale among BSNL employees. The JDI scale included Work, Supervision, Pay, Promotions, and Co-worker. Job Satisfaction Employees would make a positive contribution to their respective BSNL and may lead to increase the effectiveness of the BSNL. It is therefore important to have a good understanding of an individual's total personality and value system in order to understand and describe his job satisfaction. Some important implications for future research are also derived from the study.*

### INTRODUCTION

The basic purpose of performance appraisal has been to prepare a useful feedback to personals so that they can develop their performance (Peretz, 2008). It has eight suitable methods: Personal appraisal, 360 degree appraisal, self appraisal, Competence assessment, objective setting, performance related to pay, Coaching, Personal improving plan (Peretz, 2008). Rewards management is the one of processes in the human resources that is developed, underpinned practically, academically and known as a "Soft Variant" for human nature in the subject (Eka-terini Galanou, 2011). Performance appraisal is the periodic evaluation of an employee's performance measured against the job's stated or presumed requirements (George Terry 2003). One way to review the performance and potential of staff is through a system of performance appraisal. It is important that members of the organization know exactly what is expected of them, and the yardsticks by which their performance and results will be measured.

Job satisfaction is an emotional affective personal response as a result of his 'estimation of the degree to which some fact of job reality is congruent or incongruent with his values' according to (Ejiogu, 1985). It is therefore important to have a good understanding of an individual's total personality and value system in order to understand and describe his job satisfaction.

Job satisfaction may be defined as a pleasurable positive emotional state resulting from the appraisal of one's job or job experiences. It resulting from the perception that one's job fulfils or allows the fulfillment of one's important job values providing and to the degree that these values are congruent with one's needs – observes Locke (1976).

The BSNL Tamil Nadu Telecom Circle office is situated in Chennai as like state Headquarters, it is further divided in to Secondary Switching Areas (SSA) as like Revenue Districts. The BSNL TN Telecom Circle consists of 17 SSAs, the names of the SSAs are Coimbatore, Cuddalore, Dharmapuri, Erode, Karaikudi, Kumbakonam, Madurai, Nagercoil, Nilgiris, Pondyicherry, Salem, Thanjavur, Tirunelveli, Trichy, Tuticorin, Vellore, and Virudhunagar SSA.

### REVIEW OF LITERATURE

Cascio (1998) defines performance appraisal as a process to improve employee's work performance by helping them realize and use their full potential in carrying out the organization's missions and to provide information to employees and managers for use in making work related decisions. He goes onto define EPAS as an exercise in observation and judgment, a feedback process and an organizational intervention. It is a measurement process as well as an intensely emotional process. Cascio states, it is an inexact, human process that is utilized differently in almost every organization regardless of industry.

Rao et al., (2001) examined the current status of structuring of the HRD function and HRD subsystems in India against this "Integrated HRD Systems" framework. The researcher also comments on the recent approaches to HRD. Data from HRD audits of 12 Indian organizations indicated that HRD function is not well structured, is inadequately differentiated, poorly staffed, and fails to meet the requirements of this framework. In the light of these experiences of Indian organizations in implementing this framework, it has been points out the prerequisites for success of other HRD frameworks in India. The HRD subsystems, however, have evolved and matured to a substantial degree, specially the performance management system, and training and development system. OD feedback and counselling are in the next level of maturity. Potential appraisal and career planning and development are the least developed and used subsystems.

Shagufta and James (2013) found out the relationship between employees' rewards, and the dimension of their Job Satisfaction in the service sector. The researcher hypothesized that rewards play a significant role in employee satisfaction, resulting in increased customer satisfaction and loyalty. Thus the role of Job Satisfaction and rewards was explored with samples from workers in two large Ghanian private organizations. A questionnaire was constructed, tested and administered to a total 110 subjects at two private organizations. Out of that 104 usable surveys were analyzed with test the hypotheses of the study. Findings showed that rewards induced positive Job Satisfaction of employees.

Daisy et al., (2013) investigate the influence of employee rewards, Job Satisfaction and human resource policies on employee retention in Vodafone Ghana Limited. The study surveyed 142 employees from Vodafone Ghana Limited. Data collection was done by means of a semi-structured questionnaire through personal contacts. Data was analyzed with descriptive statistics and Pearson Chi-square. The results showed that when organisations' reward systems are adequate, it does not only lead to equity, but increase retention.

### STATEMENT OF PROBLEM

BSNL has different level of cadres and also Job Satisfaction is varying at different levels. Job Satisfaction of the employees dependent on various factors. This factor has to be developed with needs to be studied further. BSNL has High level of stress and different age factor changes in organisation, so the needs to further study.

### FORMULATION OF HYPOTHESIS

Based on the review of literature, the following null hypotheses were formulated to meet the research questions of the study:

**H1** : Appraisal and Reward has a positive impact on job satisfaction in terms of work.

**H2** : Appraisal and Reward has a positive impact on job satisfaction in terms of supervision.

**H3** : Appraisal and Reward has a positive impact on job satisfaction in terms of pay.

**H4** : Appraisal and Reward has a positive impact on job satisfaction in terms of promotion.

**H5** : Appraisal and Reward has a positive impact on job satisfaction in terms of co-workers.

### FINDINGS

**Table No.1: Results of Measurement Model – Appraisal & Reward (AR) and Job Satisfaction**

Regression Weights			Standardized Loadings	Standard Error	t-value	P< .001	CR	AVE
AR2	<---	Appraisal & Reward	.696	-	-. <sup>a</sup>	-	0.926	0.714
AR3	<---	Appraisal & Reward	.541	.051	14.302	0.001		
AR7	<---	Appraisal & Reward	.520	.050	13.794	0.001		
AR4	<---	Appraisal & Reward	.726	.060	18.335	0.001		
W3	<---	Work	.607	-	-. <sup>a</sup>	-	0.834	0.631
W4	<---	Work	.642	.087	12.694	0.001		
W6	<---	Work	.389	.070	9.086	0.001		
S2	<---	Supervision	.468	-	-. <sup>a</sup>	-	0.881	0.653
S3	<---	Supervision	.547	.108	11.179	0.001		
S5	<---	Supervision	.672	.136	12.343	0.001		
PY1	<---	Pay	.564	-	-. <sup>a</sup>	-	0.875	0.640
PY3	<---	Pay	.627	.079	14.179	0.001		
PY6	<---	Pay	.460	.067	11.340	0.001		
PR4	<---	Promotion	.773	-	-. <sup>a</sup>	-	0.870	0.692
PR3	<---	Promotion	.779	.045	23.328	0.001		
PR2	<---	Promotion	.803	.040	24.003	0.001		
CW3	<---	Co-Workers	.406	-	-. <sup>a</sup>	-	0.720	0.563
CW1	<---	Co-Workers	.702	.198	10.426	0.001		
CW4	<---	Co-Workers	.316	.104	7.789	0.001		

-a Indicates a parameter fixed at 1.0 in the measurement model.

Source: Primary Data

### PERIOD OF THE STUDY

This study covers a period of four months from January to June 2014.

### RESEARCH METHODOLOGY

#### SAMPLE FRAME

The universe of the study is 4640 employees of BSNL which consists of executives & non-executives, technical & non-technical cadres and both gender of three SSA's namely Trichy, Thanjavur and Madurai. Of the universe a sample size of 928 respondents (Exactly 20%) were selected by Stratified Proportionate Random Sampling Method.

#### DATA COLLECTION METHOD

The study depends mainly on the primary data collected through a well-framed and structured questionnaire. This study was carried out through survey method using questionnaires as the main instrument. Impact to Job Satisfaction using Job Descriptive Index (JDI) Scale by Smith, et. al. (1969) among the employees of the study unit. The JDI scale included Work, Supervision, Pay, Promotion, and Co-worker.

#### STATISTICAL TOOLS

The validity and reliability of the questionnaires were measured. The internal consistencies of scale were assessed through computing Cronbach's Test. The questionnaire shows the reliability value is 0.9. Implication from these values indicates that all of the items used for each component in the questionnaire have a high and consistent reliability values. CFA model and path model in Amos were used for this study.

#### LIMITATIONS OF THE STUDY

The outcome of the study will be applicable only to these respondents. Further, it cannot be stated that the inferences are universal to the entire BSNL. But adequate caution is taken to make the study more objective and empirical.

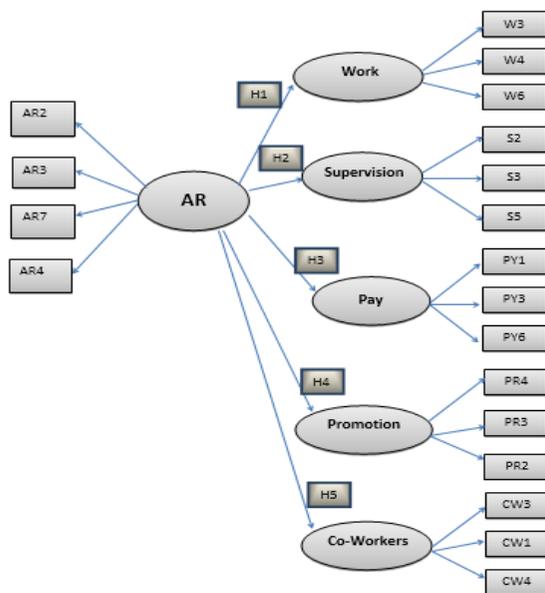
**Table No.2: Results of Model Fit for Measurement Model – Appraisal & Reward and Job Satisfaction**

Fit indices	Acceptable Levels
$\chi^2_{(136)} = 479.996$	
CMIN ( $\chi^2/df$ ) = 3.5293 (p < .000)	Less than 1.0 is a poor model fit; more than 5.0 reflects a need for improvement
GFI = .948	More than 0.90
AGFI = .928	More than 0.90
CFI = .929	More than 0.95
TLI = .910	More than 0.90
NFI = .904	More than 0.90
IFI = .929	More than 0.90
RMR = .034	Less than 0.050
RMSEA = .052	Less than 0.080

Source: Primary Data

The measurement model of 'appraisal & reward and job satisfaction' showed that all the items loaded highly on their corresponding factors, confirming the unidimensionality of the constructs and providing strong empirical evidence of their validity. The resulting measurement model was  $\chi^2(136) = 479.996, p = .000, GFI = .948, AGFI = .928, NFI = .904, CFI = .929, TLI = .910, IFI = .929, RMSEA = .052$  and  $RMR = .034$ , which indicated a good fit. The t-values for the loadings were high, demonstrating adequate convergent validity.

**Structural Model of Appraisal & Reward and Job Satisfaction**



**Table No.3: Results of Path Model – Appraisal & Reward and Job Satisfaction**

Regression Weights		Standardized Loadings	Standard Error	t-value	P < .001
Work	<--- Appraisal & Reward	.688	.030	7.872	0.001
Supervision	<--- Appraisal & Reward	.702	.031	9.333	0.001
Pay	<--- Appraisal & Reward	.738	.035	10.278	0.001
Promotion	<--- Appraisal & Reward	.882	.073	16.120	0.001
Co-Workers	<--- Appraisal & Reward	.617	.030	6.682	0.001

Source: Primary Data

The results of structural model analysis showed that as hypothesized, appraisal & reward (t-value = 7.872, p = .000) had positive and significant relationship with work and therefore H1 was supported. The model revealed a positive and significant effect of appraisal & reward (t-value = 9.333, p = .000) on supervision and therefore H2 was supported. Appraisal & Reward (t-value = 10.278, p = .000) had strong influence on pay, thereby H3 was supported. Significant and positive effect of appraisal & reward (t-value = 16.120, p = .000) on promotion supported H4. Appraisal & Reward (t-value = 6.682, p = .000) was significantly related to co-workers. Hence, support was found for H5. Table 4.7.3.4 lists the hypotheses results.

**Table No. 4 - Hypothesis Results**

Hypothesis	Relationship	Supported/Not supported
H <sub>1</sub>	Appraisal & Reward- Work	Supported
H <sub>2</sub>	Appraisal & Reward- Supervision	Supported
H <sub>3</sub>	Appraisal & Reward- Pay	Supported
H <sub>4</sub>	Appraisal & Reward- Promotion	Supported
H <sub>5</sub>	Appraisal & Reward- Co-Workers	Supported

Source: Primary Data

**DISCUSSIONS**

**1) Job Satisfaction with regard to Work**

It is also revealed that, employees derive satisfaction out of work as a result of effective appraisal and reward mechanism. So it is clear that there is an effective appraisal and reward mechanism adopted by the BSNL. This promotes the key competencies and potentiality of the employees.

**2) Job Satisfaction with regard to Supervision**

It is also revealed that, employees derive satisfaction out of Supervision as a result of effective appraisal and reward mechanism. So it is observed that the appraisal and reward system adopted by the BSNL facilitates supervisors to monitor the performance of their subordinates.

**3) Job Satisfaction with regard to Pay**

It is also revealed that, employees derive satisfaction out of pay as a result of effective appraisal and reward mechanism. So it is cleared that there is an effective Appraisal and Reward mechanism adopted by the BSNL. This promotes the key competencies and potentiality of the employees that leads to pay satisfaction.

**4) Job Satisfaction with regard to Promotion**

It is also revealed that, employees are satisfied by promotion as a result of effective appraisal and reward mechanism. So it is clear that there is an effective appraisal and reward mechanism adopted by the BSNL. This develops the core competencies and potentiality of the employees, which will act as a platform for promotion.

**5) Job Satisfaction with regard to Co-Workers**

It is also revealed that, employees derive job satisfaction out of co-workers as a result of effective appraisal and reward mechanism. So it is revealed that the management adopts fair appraisal system for all employees. It means that no bias is practised in appraising the employees, irrespective of their cadre, department, qualification and status. So the performance appraisal system gives co-workers satisfaction.

## CONCLUSION

This research study made an effect to analysis the impact of job satisfaction on appraisal and reward of the BSNL employees. The job satisfaction of BSNL employee was evaluate by using work, supervision, pay, promotion and co worker in JDI scale. The researcher concluded based on the analysis and discussion, BSNL has a clear, fair and well appraisal and reward policy, which makes the employees, were highly satisfied.

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